

Ernest G. Johnson, Utilities Division Director  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007-2927

Dear Mr. Johnson:

## **I. INTRODUCTION**

PV Now applauds the decision made by the Arizona Corporate Commission on February 10, 2004 to continue the increase in the Environmental Portfolio Standard (EPS) to 1.1% in 2007. PV Now also appreciates the opportunity to submit comments regarding the direction of EPS going forward.

PV Now is a coalition of seven of the world's leading manufacturers of solar electric equipment. PV Now members include the following companies: BP Solar, Evergreen Solar, Kyocera Solar, PowerLight, RWE Schott Solar, Sharp Solar, and Shell Solar. PV Now represents the leading companies in a two billion dollar industry that is growing at 30% per year. Member companies manufactured approximately two thirds of the solar electric equipment sold in the world last year. The companies represented by PV Now employ thousands of workers in their manufacturing, sales and support operations. The members of PV Now are very excited about the developing market in Arizona for solar electricity and wish to express their strong support for an EPS that includes a 60% set aside for solar, Arizona's best energy resource. The growing market and supportive state policies are causing all the companies in the solar industry to stand up and take notice of the opportunities in Arizona to build a long-term sustainable market. Some of the member companies have already committed resources to the state, creating jobs in the local solar industry, with more to follow as sales increase.

Our comments will address the importance of maintaining the current solar electric requirement of 60% of the EPS, and we respectfully recommend that an aggressive and uniform (statewide) EPS Credit Purchase Program for distributed systems be implemented to leverage public funds and achieve the EPS goals cost effectively.

## **II. SPECIFIC COMMENTS**

### **A. Solar Requirement**

PV Now supports maintaining the 60% solar requirement that currently exists in the EPS since the sun is Arizona's most abundant renewable energy resource. One of the objectives

originally established by the Commission at the creation of the EPS was to ensure that the renewable energy used in Arizona was created in Arizona as much as possible. Solar energy has the greatest ability to meet this objective. Further development of solar in Arizona will provide greater benefit in terms of the creation of Arizona jobs and ensuring that EPS funds are used in the Arizona economy to the fullest extent possible. PV Now encourages the state to support a broad portfolio of applications available to solar technologies from new and existing homes, large commercial and public facilities, and utility-scale projects.

### **B. Credit Purchase Program**

PV Now recommends that language be included in the EPS rule that sets aside funds for an aggressive and uniform (statewide) EPS credit purchase program for distributed systems. AriSEIA's proposal filed at the Corporate commission (Docket # RE-00000-00-0377 – Environmental Portfolio Standard) is a very good guide on how a distributed generation program can help the state achieve its EPS solar goals cost effectively. A uniform credit purchase program will ensure that Arizona's citizens receive the maximum renewable energy benefit from the EPS. It will also allow rate payers to fully participate in the EPS program by investing in solar equipment, driving prices down, and providing jobs within the state.

## **III. CONCLUSION**

The members of PV Now wish to express our appreciation to both the Commissioners and the Commission Staff for their commitment and leadership in raising the bar for Arizona's EPS. We are very confident that Arizona will become a leader in the solar industry. We know that solar energy works as we see this technology booming in Japan, Europe, California, New Jersey and other states within our country. As the largest companies in the solar industry, we remain committed to working with the Arizona Corporate Commission, The State Legislature, and our local trade association to achieve the EPS solar goals and the economic development that will follow.

Respectfully submitted,

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PV NOW Chairman

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